

August 31, 2020

Mark L. Johnson Executive Director and Secretary Washington Utilities and Transportation Commission PO Box 47250 Olympia, WA 98504-7250

Re: Advice No. W20-08-01 – Washington Energy Assistance Fund (WEAF) Temporary Economic Assistance Tariff Revision

Dear Mr. Johnson,

Cascade Natural Gas Corporation (Cascade or Company) submits the following tariff sheets to replace and create the tariff sheets that are submitted under Cascade's Advice No. W20-08-01. This filing includes the following portion of the Company's WN U-3 tariff for natural gas service.

Forth Revision of Sheet No. 303 First Revision Sheet No. 303-C

The purpose of this filing is to modify Cascade's Schedule 303, Washington Energy Assistance Fund (WEAF) Program to extend a temporary customer billing assistance grant which seeks to mitigate economic impacts of the COVID-19 pandemic for Cascade's customers. Cascade also seeks to clarify standards by which applicant incomes may be verified and provide an additional option within the verification process when a customer is deemed ineligible by the current standard. The stated effective date of the proposed changes is October 1, 2020.

I. Background

Cascade's WEAF program is funded from revenues collected by its natural gas customers on schedules 503 (residential), 504 (firm commercial), 505 (general industrial), 511 (large volume), 570 (interruptible), and 663 (transportation service). The annual WEAF rates for these schedules are calculated and adjusted on an annual basis via Schedule 593, Washington Energy Assistance Fund Program Cost Recovery Schedule, and general program rules are governed by Schedule 303. WEAF funds collected under the designated schedule rates are administered and delivered to qualifying residential customers through agreements established with Community Action Agencies (Agencies) that serve Washington counties in Cascade's authorized service areas. The funds are distributed by Agencies in a manner similar to the Federal and Statesponsored Low Home Energy Assistance Program (LIHEAP). In some instances, Cascade's standards for WEAF qualification are more accessible to customers than LIHEAP standards. For example, WEAF is available to applicants who demonstrate household income less than or equal to 200 percent of the federal poverty guidelines (the current LIHEAP standard is 125 percent)

with no WEAF requirement for Washington state or national citizenship documentation.

Eligible WEAF customers may receive a WEAF grant(s) totaling no more than \$500 per household per program year. Per Schedule 303, the Company will not accept a WEAF request when a customer's account has an existing credit equal to or greater than \$300 where that credit is solely from a charitable grant(s), such as, WEAF, LIHEAP, or Cascade's assistance program called Winter Help.

On April 16, 2020, Cascade filed a Less than Statutory Notice (LSN) tariff revision to address the need for temporary billing assistance related to the economic hardships brought on by the COVID-19 pandemic. The Commission allowed the LSN tariff revision and it became effective April 24, 2020. In April 2020, Cascade created the Hardship Economic Assistance Receivable Temporary (HEART) grant, which provides a one-time benefit for customers experiencing financial hardship due to the current status of economic uncertainly. Per the program language, "A customer verbally expressing difficulty is eligible to receive assistance to render their account current up to \$200 maximum." Additionally, customers providing documentation of their unemployment status related to COVID-19 impacts are eligible for assistance to render their account current up to \$400. At the discretion of local Agencies, the HEART grant may be administered to create a credit balance on a customer's account and assistance received from a HEART grant does not count against a WEAF recipient's \$500 maximum award per household per program year. The Company initially proposed that the HEART grant assistance expire after September 30, 2020.

II. Proposed WEAF Modifications

Cascade recognizes that the COVID-19 pandemic is an unprecedented event, which is creating hardship for many of our customers. As the economic ramifications become known, Cascade wants to be proactive in our response to the needs of our customers by providing flexible assistance to customers experiencing financial hardship in the wake of the crisis. Thus, Cascade is proposing the following program modifications laid out in the subsequent paragraphs.

Cascade continues to monitor COVID-19 pandemic, the WEAF program, and HEART Grant activities and believes it is prudent and humane to extend the HEART Grant provisions through March 31, 2021, since the pandemic has not subsided and to allow the current temporary benefit to continue through the upcoming residential heating season.

Cascade appreciates the ongoing work of the Agencies and the feedback provided by members of the Advisory group. This dialogue with WEAF stakeholders brought to light unintended consequences due to inadequacy within the guidelines that circumvent the implied purpose. As a result, Cascade proposes to add language expressly stating the timeframe for calculating qualifying participant incomes and to provide a remedy in circumstances when that initial calculation would make the applicant ineligible for WEAF assistance under the current guidelines. Specifically, the Company proposes using the documented income of three (3) calendar months prior to the WEAF application to determining qualifying income eligibility. If the applicant is determined ineligible using a 3-month average, then the most recent 30-days prior to the application date may be used. The Company believes this modification will provide

flexibility to Agencies, thereby ultimately helping our customers who recently experienced financial hardship due to changes in income from the current economic uncertainty.

This filing contains the following electronic files for submittal:

NEW CNG Advice No. W20-08-01 CLtr 8.31.20.pdf NEW CNG Advice No. W20-08-01 Trf 8.31.20.pdf NEW CNG Advice No. W20-08-01 Leg 8.31.20.pdf

If you have any questions, please call Chris Mickelson at (509) 734-4549.

Sincerely,

/s/ Michael Parvinen

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Attachment